

TESTIMONY OF Dr. Kuldip S Bhogal, April Time Residential Care Home, Manchester.

IN OPPOSITION TO

**HB 6350- AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING
JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE.**

Senator Harp, Representative Walker and members of the Appropriations Committee, my name is Dr. Kuldip S Bhogal. I am the Owner and Administrator of April Time RCH. I am unable to attend but offer my very strong opposition to the Governor's Budget, specifically to the capping of Residential Care Home rates and elimination of the small partial rate increase from last year.

I have operated April Time for the last four years. During this time I have saved the State several hundred thousand dollars. We took over the Drug administration for our residents from the visiting nurses who were costing the State some \$650,000 per annum. Our residents now get their medication on a timely basis and this change has had an additional benefit for our residents. It has, indeed, stabilized both their mental and physical illness such that we have seen a great reduction in the number of the 911 calls, visits to the Emergency rooms, admissions to hospitals and assistance required from the local Police Department. The Staff at April Time has taken on this responsibility without much raise to their wages since we have had no additional revenues and the State has capped our rates for the past 3 years. Further, April Time converted to natural gas for its heating requirements last year costing it over \$15,000. However, we have already made saving to our heating bill by a similar amount this year. From now on it will save the State at least this amount every year. April Time has also improved the general living conditions by vast improvements to its physical plant. It has improved the quality of food given to its residents. As you are well aware, our food bill, liability insurance, workers compensation insurance, employee health insurance, utilities, maintenance costs etc. have all increased every year. Despite all this our rates have, in fact, been lowered.

Residential Care Homes are excellent value for the State. To have full board and lodging with 24 hours supervision at \$69 per day speaks volumes for itself. Compare this to a visiting nurse who can claim over \$135 per visit just to administer medication!! Taking care of the kind of residents in these homes is pretty tuff and demanding. Our Staff expect a reasonable compensation for their hard work and dedication. Unfortunately our rates have been frozen for the past 3 years and this has not been possible.

Cost Reports can cost each home up to \$10,000 each year. Although our rates have been frozen for the past 3 years, and there has been very little change in our spending practices, the State still expects us to file our annual cost reports. This seems to be an unnecessary expense when the rates are frozen.

Many Residential Care Home Operators, including myself, are finding it more and more difficult to manage our homes with no new revenue and our expenses continuing to rise by the day. Many homes have already closed and many others will follow unless the State lifts the cap on our already tight budgets.

In conclusion, I strongly object to the above mentioned rate cap being proposed. The rate cap for the past 3 years has already caused much hardship to the Operators and our residents. Further rate caps will certainly result in more hardship and closure of more homes. This will be very sad and will be a great loss to the State, who will have to rehouse the residents at alternative accommodation, albeit, at a much higher cost. I, therefore, urge you to please lift any rate capping of the Residential Care Homes.

Thank you.

DR. KULDIP S BHOGAL
April Time RCH, Manchester.
860-649-4519